

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

July 21, 2009

TO: Internal File

THRU: Jim Smith, Permit Supervisor *JS 08/06/09*

FROM: Steve Christensen, Hydrologist *SKC*

RE: Midterm Review, Consolidation Coal Company, Hidden Valley Mine, C/015/0007, Task ID #3302

SUMMARY:

The mid-term review for the Hidden Valley Mine was initiated on June 4th, 2009 and assigned Task ID #3302 for tracking purposes. As part of the review, an analysis of the MRP was conducted to ensure that the plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area. In addition, a field visit was conducted on July 20th, 2009 to inspect the sediment control measures at the site and their effectiveness.

The Hidden Valley Mine was reclaimed in 1986. No MSHA ID Number was assigned to the site. The two adits were backfilled and the highwalls graded and seeded in 1986. In 1997, the highwall associated with the 'B' seam of the mine was reconfigured and re-seeded per a 1997 amendment submitted to the Division.

In 2006, the Division approved a Minor Exploration permit for the advancement of 9 boreholes. Three holes were completed. During the exploration, significant artesian groundwater was encountered. AS a result, a new UPDES permit was applied for and approved (# UTG040026) on July 26th, 2006. The UPDES was modified to allow for the discharge of groundwater from the drilling of the exploration holes.

The Minor Exploration permit was revised to allow for the three exploration holes that were advanced to remain open for groundwater monitoring purposes. The holes are to remain open until December 31st, 2009. The three exploration holes sites were field inspected during the July 20th, 2009 site visit.

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TECHNICAL ANALYSIS:

OPERATION PLAN

FISH AND WILDLIFE INFORMATION

Regulatory Reference: 30 CFR Sec. 784.21, 817.97; R645-301-322, -301-333, -301-342, -301-358.

Analysis:

Endangered and Threatened Species

Water consumption within the Colorado River Basin is considered by the USFWS to adversely affect endangered fish within the Colorado River basin. As the Hidden Valley Mine was reclaimed in 1986 and is no longer in operation, no water is being depleted from the Colorado River Watershed at this time. As a result, there is no need to revisit the water depletion calculations relative to the Colorado River Endangered Fish Recovery Program.

Findings:

The information provided meets the Fish and Wildlife Information requirements of the State of Utah R645-Coal Mining Rules.

HYDROLOGIC INFORMATION

Regulatory Reference: 30 CFR Sec. 773.17, 774.13, 784.14, 784.16, 784.29, 817.41, 817.42, 817.43, 817.45, 817.49, 817.56, 817.57; R645-300-140, -300-141, -300-142, -300-143, -300-144, -300-145, -300-146, -300-147, -300-148, -301-512, -301-514, -301-521, -301-531, -301-532, -301-533, -301-536, -301-542, -301-720, -301-731, -301-732, -301-733, -301-742, -301-743, -301-750, -301-761, -301-764.

Analysis:

Groundwater Monitoring

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As no underground development/mining has occurred at the site since it was reclaimed in 1986 and due to no mine-water discharging from the sealed adits, no ground water monitoring is performed at the site.

During the field inspection on July 20th, 2009, the backfilled/sealed adits were inspected. No signs of leakage or mine-water discharge were observed at the time of the inspection.

Surface Water Monitoring

As part of the approved MRP, the Permittee performs semi-annual surface water monitoring at two surface water sites (Monitoring Site #1 and Monitoring Site #2). The sites are located on Ivie Creek which flows directly adjacent to the reclaimed mine site. The sites are sampled in May and September of each calendar year.

The Permittee has submitted the water quality data to the Division via the electronic database. The last set of sampling data was received on September 10th, 2008. As a result of a database error, the Permittee has been unable to submit the first round of sampling from May of 2009. The database error was not the fault of the Permittee. At the time of this mid-term review, the database error has been corrected and the Permittee has been notified that the Hidden Valley monitoring sites have been restored to the water-monitoring database.

Water-Quality Standards And Effluent Limitations

As part of UPDES Permit # UTG040026, the Permittee was required to submit water samples to the Department of Water Quality. The ground water samples were obtained as a result of coal exploration activities on the site beginning in 2006.

As of the time of this mid-term review, the Department of Water Quality has issued no compliance/enforcement actions in connection with this site.

Sediment Control Measures

As part of the July 20th, 2009 site visit, the sediment control measures utilized at the mine site as well as the three exploration holes were inspected.

The mine site access road utilizes surface roughening and water bars to control storm water runoff and sedimentation. At the time of the field inspection, the water bars were found to be in working order. The outlets of the water bars were unclogged and free of debris. The rip rap placed at the outlet of the water bars was also observed. The rip rap was placed on the

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outslope of the access road and was observed to be intact and functioning as designed. No signs of gullies or rills were observed on the outslope of the access road or on the road surface itself.

The mine site showed no signs of excessive erosion. The silt fence located directly adjacent to Ivie Creek was observed. The silt fence has been properly installed and was functioning as designed.

The three exploration holes have been partially reclaimed with surface roughening and re-vegetation. At the time of the field inspection, evidence of new vegetation (as a result of the seeding efforts by the Permittee) was observed. No signs of excessive erosion or instability of the drill hole pads was observed.

RECOMMENDATIONS:

The Hidden Valley MRP contains commitments to use BTCA to prevent additional contributions of suspended solids to stream flows outside of the permit area.

As the Hidden Valley Mine has been reclaimed and no longer in operation, there is no need to revisit the Colorado River Fish calculations as required by the Endangered Species Act. The Hidden Valley Mine is not depleting water from the Colorado River Watershed.

As outlined in the June 4th, 2009 mid-term commencement letter, Items #2 and #3 have been reviewed and found to be in compliance with the State of Utah R645-Coal Mining Rules.